COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

KEYSPAN ENERGY DELIVERY NEW ENGLAND
RESPONSE TO
ATTORNEY GENERAL'S FIRST SET OF INFORMATION REQUESTS

D.T.E. 06-54

Respondent: Theodore E. Poe, Jr.
Date: September 12, 2006

Information Request AG-1-8

Q. Please refer to Exh. EDA-1 at 11, lines 3-16. Please explain how the Company would fulfill its sendout requirements if Algonquin failed to provide the additional capacity on the Algonquin G-Lateral system above 25,000 Dth/day under the AFT-1 firm-transportation contract.

A. Referring to Exhibit TEP-4, summarizing the Company's Algonquin transportation requirements, please refer to the column labeled "1/24th Contract (MMBtu/day)." This column lists the annual forecasted need for transportation to the Cape Cod citygates to provide adequate design planning capacity. As shown therein, 25,000 MMBtu/day[1] is sufficient capacity to address the Cape Cod requirements through the split year 2009/10 (when the requirement is forecasted to be 24,984 MMBtu/day). In AG-1-8 (Attachment) provided herewith, the Company has updated its design day forecast requirements for the Cape Cod service territory using the base-case forecast provided in its most-recently filed Long Range Resource and Requirements Plan (D.T.E. 05-68). Under this updated forecast, the initial 25,000 MMBtu/day will provide adequate peak-hour coverage only through 2008/09 when the required capacity is 24,744 MMBtu/day for peak-hour purposes.

Although the Company has no reason to believe there will be a problem in having the turnback agreements in place by November 1, 2007 for the remaining 13,000 MMBtu/day, the Company continues to be in contact with Algonquin about the progress of those agreements, and possible alternatives (e.g., other capacity available through a reverse open season, or additional upgrading of the G lateral). These alternatives would then be evaluated and compared to any other alternatives on both price and non-price factors.

In addition to the identification of an alternative solution to the need for capacity on the Algonquin system, the Company would consider and review the potential

[1] 1 Dth/day = 1 MMBtu/day.

for alternatives on its own system, such as those reviewed in the EFSB docket as project alternatives.

Summary of Peak Hour Requirements for Colonial-Cape
2005 KeySpan IRP: Base Case
(MMBtu)

			Maximum Hourly Supply From						
Year	Design Day (MMBtu/day)	5% Peak Hour (MMBtu/hr)	AGT (MMBtu/hr)	Wareham (MMBtu/hr)	Chatham/ Eastham (MMBtu/hr)	South Yarmouth (MMBtu/hr)	Remaining Hourly Need (MMBtu/hr)	1/24th Contract (MMBtu/day)	Table 2-1 Requirement (MMBtu/day)
2002/03	99,000	4,950	3,909	120	60	861	0	0	0
2003/04	104,523	5,226	3,909	120	60	1,137	0	0	0
2004/05	113,900	5,695	3,909	120	295	1,150	221	5,304	0
2005/06	116,000	5,800	3,909	120	90	1,150	531	12,744	1,000
2006/07	119,000	5,950	3,909	120	90	1,150	681	16,344	4,000
2007/08	122,000	6,100	3,909	120	90	1,150	831	19,944	0
2008/09	126,000	6,300	3,909	120	90	1,150	1,031	24,744	0
2009/10	130,000	6,500	3,909	120	90	1,150	1,231	29,544	0
2010/11	132,000	6,600	3,909	120	90	1,150	1,331	31,944	-
2011/12	134,000	6,700	3,909	120	90	1,150	1,431	34,344	-
2012/13	136,000	6,800	3,909	120	90	1,150	1,531	36,744	-
2013/14	138,000	6,900	3,909	120	90	1,150	1,631	39,144	-
2014/15	140,000	7,000	3,909	120	90	1,150	1,731	41,544	-

Note: The forecasted design days for 2002/03 through 2004/05 are from the Company's annual planning process in preparation for each of those years.